

This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 BRUSSELS 002365

SIPDIS

DOL FOR BLS AND ILAB
TREASURY FOR IMI
STATE FOR DRL/IL

E.O. 12958: N/A

TAGS: [ELAB](#) [EUN](#) [USEU](#) [BRUSSELS](#)

SUBJECT: EU-25 UNEMPLOYMENT RATE AT 9.1 PERCENT

1. SUMMARY. The aggregate unemployment rate for the EU-25 published by the EU Commission's Statistical Office stood at 9.1 percent for April 2004, unchanged from the previous month. The unemployment rate for the euro zone (the twelve EU countries participating in the euro) was also stable at 8.8 percent in April 2004. Without the 10 new members, the EU-15 unemployment rate was 8.1 percent. The overall impact of the 10 new members on the EU's unemployment rate has thus been to increase it by 1.0 percentage point - not exactly the huge and dramatic increase that conventional wisdom among some in the EU-15 had feared. But the rate for the enlarged EU concealed wide differences in the rates of individual Member States ranging from 4.2 percent in Luxembourg to 18.9 percent in Poland. END SUMMARY.

2. Following enlargement, the EU Commission Statistical Office (EUROSTAT) is now publishing compiled monthly unemployment data for the EU-25. With seasonal adjustment and compensation for differences in national statistical methods, the EU-25 rate stood at 9.1 percent in April 2004, unchanged in comparison to both March 2004 and April 2003. The unemployment rate for the euro zone stood at 9.0 percent in April 2004, also unchanged in comparison with March 2004. The euro-zone rate was 9.1 percent in April 2003.

3. The lowest rates among the EU-25 (April 2004 rates unless otherwise indicated) were recorded in Luxembourg (4.2 percent), Cyprus (4.4 percent), Ireland and Austria (both 4.5 percent), the Netherlands (4.7 percent, March 2004) and the UK (4.7 percent in February 2004). Poland (18.9 percent), Slovakia (16.6 percent), Lithuania (11.5 percent) and Spain (11.2 percent) showed the highest rates among the EU-25.

4. EUROSTAT noted that fourteen Member States showed an increase in their unemployment rate over the past twelve months, ten a decrease and one recorded no change. The most significant increases in unemployment rates (April 2003-to-April 2004 comparison unless otherwise noted) were recorded in the Netherlands (from 3.5 percent in March 2003 to 4.7 percent in March 2004), Luxembourg (from 3.5 percent to 4.2 percent), Sweden (from 5.4 percent to 6.3 percent), and Malta (from 7.9 percent to 9.0 percent). By contrast, the largest decreases occurred in Lithuania (from 13.2 percent to 11.5 percent), Estonia (from 10.4 percent to 9.2 percent), and the UK (from 5.1 percent in February 2003 to 4.7 percent in February 2004).

5. Based on EUROSTAT estimates, male unemployment reached 8.3 percent in April 2004 for the EU-25 and 8.0 percent for the euro zone, respectively unchanged and up from 7.8 percent when compared to April 2003. The female rate for the EU-25 was stable at 10.0 percent over the same period (up from 10.2 percent to 10.3 percent for the euro zone).

6. Unemployment rates among young people under 25 in April 2004 ranged from 7.3 percent in Austria to 39.6 percent in Poland. The rate for this age group in April 2004 was estimated at 18.1 percent for the EU-25 and 17.3 percent for the euro zone, compared to 18.4 percent (thus down 0.3 percentage point) and 17.1 percent (up 0.2 percentage point) respectively in April 2003.

7. EUROSTAT estimated that 19.3 million were unemployed in the EU-25 in April 2004 (12.7 million in the euro zone). Following is the breakdown of unemployment rates in ascending order for the individual EU Member States:

(Seasonally-adjusted)
(April 2004 unless otherwise indicated)

Luxembourg	4.2	
Cyprus	4.4	
Ireland	4.5	
Austria	4.5	
Netherlands	4.7	(March 2004)
UK	4.7	(February 2004)
Denmark	5.9	(March 2004)
Hungary	5.9	
Sweden	6.3	
Slovenia	6.4	
Portugal	6.8	
Belgium	8.5	
Czech Republic	8.5	
Italy	8.5	(January 2004)
Malta	9.0	
Finland	9.1	
Estonia	9.2	
Greece	9.3	(December 2003)
France	9.4	
Denmark	9.8	
Latvia	10.7	
Spain	11.2	
Lithuania	11.5	
Slovakia	16.6	
Poland	18.9	
EU-15	8.1	
EU-25	9.1	

18. The monthly rates and numbers of unemployed are estimated and based on data from the annual EU labor force survey. The estimated rates may differ from national unemployment rates due to differences in methods and definitions of unemployment. Unemployed people according to ILO criteria are those aged 15 and over who:

- Are without work;
- Are available to start work within the next two weeks; and
- Have actively sought employment at some time during the previous four weeks.

SCHNABEL